

AMENDED AND RESTATED BYLAWS
OF THE
FIRST UNITARIAN CHURCH OF DULUTH

ARTICLE I. NAME

1. The name of this religious corporation shall be The Unitarian Universalist Congregation of Duluth.

ARTICLE II. PURPOSE

2. The general purpose of this religious corporation shall be to pursue the study and to practice the principles of the liberal Unitarian Universalist faith. In so doing, and without regard for theological differences, women and men unite for mutual intellectual, moral and religious stimulation in search of meaningful expressions of their collective beliefs.

ARTICLE III. MEMBERSHIP

3. Any person who is 14 years of age or older who is in accord with the aims and purposes of the church, has signed the membership book and made an identifiable contribution within the previous twelve months shall hold membership in the church and have the right to vote at business meetings. Eligibility shall be determined as of the date on which the official call for the meetings is issued. It is specifically understood that membership is open to all qualified persons regardless of race, color, gender, affectional or sexual orientation, or national origin.

3.1 The Treasurer will keep the official membership roll of those eligible to vote.

3.2 A member qualified to vote may vote in person or by written proxy delivered to the secretary or her/his designee at a legally constituted meeting, stating the name of the member who can vote for the member in absentia.

3.3 A person may be removed from the official membership roll at any time through that person's request.

ARTICLE IV. MEETINGS

4. The annual meeting of the membership shall be held between April 15 and May 21. At this meeting the officers and chairpersons, or their designees, of each standing and ad hoc committee will present oral reports to the congregation, and provide the secretary with a written copy of each report or a summary thereof to be filed with the minutes of the meeting.

4.1 Special meetings of the membership may be called by the Board of Trustees or upon the written request of ten percent of the membership.

4.2 Notice of all general and special meetings of the membership shall be given by the Secretary of the Board or the Congregational Administrator.

4.3 Written meeting notices shall be delivered by either electronic transmission or mailed to each member at least two weeks before the meeting. The business to be transacted at the meeting shall be specified in the meeting notice. The notice shall be read at each Sunday service in the two weeks before the meeting.

4.4 Fifteen percent of the members, as defined in ARTICLE III, shall constitute a quorum.

4.5 Unless otherwise specified, procedure at membership meetings shall operate according to Robert's Rules of Order Revised.

ARTICLE V. BOARD OF TRUSTEES AND OFFICERS

5. The Board of Trustees shall be composed of nine Trustees. Three members shall be elected each year at the annual membership meeting to serve three-year terms. No member under the age of 18 years may serve on the Board of Trustees. Trustees may be recalled by majority vote of the members at any legally called meeting of the membership. Board members with three or more consecutive absences from Board meetings may be removed by a vote of two-thirds of the remaining Board members. Board vacancies can be filled from the membership by majority vote of the remaining Board members. The term of any replacement Board member shall expire upon the conclusion of the term of her or his predecessor.

5.1 After the election of the new members to the Board of Trustees at the annual meeting, the membership shall elect from the Board a new Board President. Other officers—Vice-President, Secretary and Treasurer—shall be elected by the Board of Trustees at the first Board meeting after the annual membership meeting.

5.2 The Board of Trustees shall have general charge of the property of the congregation, the conduct of its business affairs and the control of its administration, including the appointment of such committees and councils as it may deem necessary. The Board shall determine the composition, powers and duties of such committees and councils at the time they are created. The Board, by majority vote may dissolve any such committee or council. Any contract which would cause the total projected expenditure of funds of the Church during the fiscal year to exceed total budgeted expenditures by more than one percent (1%) must first be approved by the majority vote of the membership. Neither the Board, any committee thereof, nor any officer or employee of the congregation shall commit the membership to any action that violates municipal, state or federal ordinances or statutes, except in pursuit of policies which have been formally adopted by congregational vote.

5.3 Contracts and formal documents shall be signed by two members of the Board of Trustees.

5.4 Any sale, encumbrance or other conveyances of the real property of the congregation shall be made in accordance with Minnesota Statutes. Conveyance of real property shall be approved by a four-fifths (4/5) majority of members of the congregation present at any meeting legally called for the purpose. A quorum for such a meeting is constituted by thirty three percent (33%) of the members rather than fifteen percent (15%) of the members as called for in Article IV.

5.5 The Board of Trustees shall present an annual budget for membership approval at the annual finance meeting which shall be held on or before December 31st of each year. The proposed budget shall be available to the membership at least one week before the meeting.

5.6 The Nominating Committee shall consist of three members who will each serve a one-year term. At the annual membership meeting, the Board of Trustees and the Nominating Committee will each propose, for membership approval, a nominee for the Committee. The third member shall be elected by the membership from among those present at the annual membership meeting. The Nominating Committee shall report the names of its nominees for vacancies to be filled in the Board of Trustees, the nominee for President of the Board of Trustees, and the nominee for the Nominating Committee at the annual membership meeting. Nominations may also be accepted from the floor. The Board of Trustees may call upon this committee to make such other nominations as it shall, from time to time, deem necessary.

5.7 The Board of Trustees shall hold at least ten regular monthly meetings during the church year. Five or more Board members will compose a quorum at regular monthly meetings.

5.8 Congregational business, requiring attention between regular meetings of the Board, may be transacted by an Executive Committee. Such committee shall consist of three officers of the Board and such business will then be presented, as appropriate, at the next regular Board meeting.

ARTICLE VI. COMMITTEES OF THE BOARD

6. The President of the Board shall insure there is a chairperson for each committee and council. The President of the Board has authority to appoint a Board member to any committee to maintain liaison between the Board and the committee.

1. The President of the Board may commission and dissolve ad hoc committees as needed.

ARTICLE VII. THE MINISTER

7. Recommendation for a new minister or recommendation for dismissal of a minister shall be made by the Board of Trustees or upon the petition by one-fifth (1/5) of the qualified members of the congregation. The minister shall be called or dismissed by a four-fifths (4/5) majority vote of the qualified members present at a legally called meeting. Quorum for such

a meeting is to be constituted by thirty-three percent (33%) of the members rather than the fifteen percent (15%) of the members as called for in Article IV.

7.1 Recommendation of a minister's salary shall be made by the Board of Trustees and it shall be determined by a majority vote of the qualified members of the congregation present at a regularly called meeting.

7.2 The minister shall have freedom of the pulpit as well as freedom to express his or her opinion outside the pulpit.

7.3 It shall be the duty of the minister to make a report to the annual membership meeting of the congregation with a written copy or summary thereof to the Secretary such report shall be filed with the minutes of the annual membership meeting. It is also the duty of the minister to bring to the attention of the Board of Trustees any matters that seem proper for the general welfare of the congregation, and to make such recommendations as seem to be in the best interest of the congregation. The final decision on matters of policy and procedure remains with the Board of Trustees or a legal meeting of the congregation.

7.4 There shall be a contract, annually reviewed by the Board of Trustees and signed by the Minister and the President of the Board, prescribing the duties and benefits of the minister's position.

ARTICLE VIII. CHURCH YEAR

8. The church fiscal year will be January 1 through December 31.

ARTICLE IX. DENOMINATIONAL AFFILIATION

9. The congregation shall be a member of the Unitarian Universalist Association and of the Prairie Star District. It is the intention of this congregation to make annual financial contributions to the denomination equal to its full Fair Share as determined by the Association and the District.

ARTICLE X. ENDOWMENT FUND

10. The Church shall establish and implement The Unitarian Universalist Congregation of Duluth Endowment Fund, and assets in the fund shall be held in that name.

10.1 An Endowment Fund Committee consisting of five voting members of the Church shall be nominated by the Board of Trustees and elected by the membership. Committee members shall serve staggered three-year terms. No member shall serve more than two consecutive three-year terms. After a lapse of one year, former committee members may be re-elected. In the event of a vacancy on the Committee, the Board shall appoint a member to fill the vacancy until the next annual meeting of the membership, at which time the membership shall elect a member to fulfill the term of the vacancy.

10.2 The Committee shall meet at least semi-annually with a quorum being three members. A majority present shall carry motions.

10.3 Committee officers, elected from its membership, and responsibilities consist of the following:

a. Chairperson: shall preside at meetings.

b. Financial Secretary: shall assist the congregation's treasurer in maintaining complete and accurate books of accounts of the fund with two signatures required for distributions greater than \$250 from the fund. The Fund will undergo an annual review or compilation until it reaches \$100,000 at which time the Fund will require an annual audit by a certified public accountant or other appropriate person who is not a member of the committee.

c. Recording Secretary: record meetings and supply copies to committee members and Board of Trustees.

10.4 The Committee will report semi-annually to the Board of Trustees and at each annual financial meeting render a full and complete account of the administration of the fund during the preceding year.

10.5 The Committee may use professional advisors when in the best interest of the fund with expenses paid from the fund.

10.6 Committee members are not personally liable for any losses because of investments except for bad faith or gross negligence. No member shall engage in any self-dealing or transactions with the fund in which the member has direct or indirect financial interest and members shall at all times refrain from any conduct in which their personal interest would conflict with the interests of the fund.

10.7 Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest or in any other respect to manage and control the assets of the fund (including stocks, bonds, debentures, mortgages, notes, or other securities), as well as recommendations for proposed distributions from the Fund, shall be made by the Committee to the Board for board approval. Recommendations to the Board shall be based upon the sound judgment and discretion of the Committee. That member of the Committee designated by the Board shall execute recommendations approved by the Board.

10.8 The Committee will keep records of restrictions placed on gifts by donors and determine what is principal and what is income.

10.9 Once the fund has achieved a \$100,000 market value, five percent (5%) of the average fair market value over the previous thirteen (13) calendar quarters may be distributed annually.

10.10 Once distributions can commence, distributions can be made for the following purposes:

- a. For physical plant such as capital improvements and debt reduction
- b. Community outreach
- c. Wider mission of Unitarian Universalism

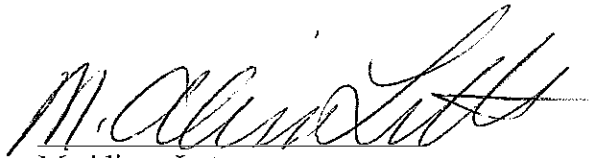
ARTICLE XI. DISSOLUTION

11. In the case of dissolution of the congregation, all of its property, real and personal, after paying all just claim upon it, shall, at the discretion of the Board, be conveyed and vested in the Unitarian Universalist Association or its legal successor, or to any Unitarian Universalist related organization, and the Board of Trustees of the congregation shall perform all actions necessary to effectuate such conveyance.

ARTICLE XII. AMENDMENTS

12. These bylaws of the Church may only be amended or repealed by a two-thirds (2/3) majority of its voting members present at an annual membership meeting or at a special membership meeting of the Church called for that purpose. Notice of any proposed change shall be contained in the notice of the meeting.

Approved December 21, 2008

A handwritten signature in cursive script, appearing to read "M. Alison Lutterman".

M. Alison Lutterman

Secretary, Board of Trustees